

 <p>Financial Assistance Award</p> <p>DENALI COMMISSION 510 L Street, Suite 410 Anchorage, Alaska 99501 (907) 271-1414 (phone) (907) 271-1415 (fax) www.denali.gov</p>		Award Number	01277-00		
		Award Title	Fort Yukon Regional Energy Planning		
		Performance Period	June 1, 2010 through June 30, 2012		
		Recipient Organization & Address			
Authority 112 Stat 1854	CFDA Number 90.100	Alaska Village Initiatives 1577 C St Ste 304 Anchorage, AK 99501-5133			
Denali Commission Finance Officer Certification	Ms. Jennifer Price 08/12/2010	Phone: Recipient DUNS # 020247987 TIN # 92-0036144			
Cost Share Distribution Table					
Accounting Code	New Funding		Prior Period Funding		Total
	Denali Commission	Other Contributors	Denali Commission	Other Contributors	
95670000	\$258,300.00		\$0.00		\$258,300.00
	\$0.00		\$0.00		\$0.00
	\$0.00		\$0.00		\$0.00
	\$0.00		\$0.00		\$0.00
	\$0.00		\$0.00		\$0.00
various		\$4,339,771.00		\$0.00	\$4,339,771.00
		\$0.00		\$0.00	\$0.00
		\$0.00		\$0.00	\$0.00
		\$0.00		\$0.00	\$0.00
		\$0.00		\$0.00	\$0.00
Total	\$258,300.00	\$4,339,771.00	\$0.00	\$0.00	\$4,598,071.00
This Financial Assistance Award approved by the Federal Co-Chair of the Denali Commission constitutes an obligation of federal funding.					
Award Conditions to the Financial Assistance Award between the Denali Commission and Alaska Village Initiatives (AVI) for Fort Yukon Regional Energy Planning, Award No. 01277					
Continued on the following pages.					
Signature of Authorized Official - Denali Commission Electronically Signed		Typed Name and Title Mr. Joel Neimeyer Federal Co-Chair		Date 08/11/2010	

AWARD ATTACHMENTS

Alaska Village Initiatives

01277-00

1. Award Conditions - Fort Yukon Regional Energy Planning

***Award Conditions to the Financial Assistance Award
Between the Denali Commission and Alaska Village Initiatives (AVI)
For Fort Yukon Regional Energy Planning
Award No. 01277
July 2010***

1. Scope of Work

The Alaska Village Initiatives (AVI) has been actively engaged in the development of wood biomass resources in the community of Fort Yukon for over five (5) years.

Partners

Local partners include Gwitchyaa Zhee (GZ), Council of Athabascan Tribal Governments (CATG), and the City of Fort Yukon. These entities are herein referenced as the local “Partners”.

Regional Entities

Other regional entities include AVI, Tanana Chiefs Conference (TCC), Interior Regional Housing Authority (IRHA) and may include more entities as the project further develops.

Funders

Funding entities, grantees, sources, amounts and scopes include:

Funder/Grantee	Amount	Source	Scope
Denali Commission/AEA	\$808,805	Round “zero” Renewable Energy Fund	Harvest Equipment pending approved business plan.
Denali Commission/AVI	\$258,300	Economic Development Program	Capacity building and training strategy (this award)
Denali Commission/AEA	\$60,000	Energy Program Planning/Design	Comprehensive Energy Business Plan including Rural Power System Upgrade (RPSU), heat utility/wood harvest, biomass diesel hybrid power and integrated district heat system.
Department of Energy (DOE)/AVI	\$329,771	Earmark to AVI	Planning, training and project management/tech support
DOE/CATG	\$210,000	Renewable Energy	Project management and design
DOE/CATG	\$990,000	Renewable Energy	TBD
AEA/GZ	\$210,000	Renewable Energy Fund (REF) Round (1)	Travel, project management, permitting, environmental, concept and final design
AEA/GZ	\$2,300,000	REF Round (3)	Approved, scopes pending.
GZ/TBD	\$300,000	Cash Match	Approved, scopes pending.
Total Funding	\$5,466,876		

Stakeholders

All partners, regional entities and funding agencies comprise what this grant references as the “Stakeholders”.

Scope

While Partners have been successful in securing grant funding, a succession plan toward more direct management by local entities of projects scopes stated on page 1 is necessary for long term sustainability. This grant agreement is in response to an application through the Denali Commission’s Economic Development Program. The original request included business planning activities which have now been funded through AEA to complete a Fort Yukon comprehensive energy business plan. By funding business planning under the energy program, more resources are made available for additional capacity building to meet the goal of this grant to focus on the transition to local management.

The intent of this grant is to develop a succession plan for direct local management by funding a local Project Liaison through a sub-grant to the CATG. AVI shall also retain a Project Manager to maintain cohesion through the transition and assist in mentoring local capacity to oversee the project. This grant also authorizes AVI to execute contractual services for an economic forest plan. Finally, the grant shall provide AVI with funding to develop a training strategy and assist the local community in an execution plan. All of these activities are detailed as follows.

This award authorizes up to **\$258,300** to AVI for the following:

Activity	Amount	Allowable Indirect Total*	Lead Organization
Project Liaison	\$75,000	\$25,000	Pass thru to CATG
Project Management	\$40,000	\$25,000	Pass thru AVI contracted services
Economic Forest Plan and Forestry Technical Support	\$50,000	\$50,000	AVI contracted services
Training Development/Execution	\$27,500	\$27,500	AVI staff/contracted
Travel	\$9,185	\$9,185	AVI staff
Total Project Budget	\$201,685	\$136,685*	
AVI indirect (detailed activities)	\$56,615	NA	AVI staff
TOTAL	\$258,300		

*Indirect Rate of 41.42% applicable only to first \$25,000 of pass-thru activities. For calculation purposes, \$136,685 is used to determine 41.42% indirect amount of \$56,615.

Project Liaison -- \$75,000

For purposes of this scope, "project" is defined as the comprehensive energy plan to include all activities listed on page 1. Up to \$75,000 is authorized to a sub-grant to the CATG for one Full Time Equivalent (FTE) to serve as the Project Liaison between project partners. AVI shall oversee the CATG Project Liaison activities in developing a succession plan toward local ownership of the new utility operations model and harvest strategy. Long term funding for this position should be considered as part of the proposed operations budget for the project and future funding from the Commission should not be anticipated. Hiring timeline is fall 2010 and Denali Commission shall be informed of the hiring process.

The Project Liaison will carry out the following activities:

- i. Regular stakeholder meetings:
 1. Facilitate monthly meetings held with Stakeholders. Responsible for communications, planning, agenda/minutes and chairing meeting discussions.
 2. A timeline for project completion will be maintained and updated by the Project Liaison and will serve as the basis for the monthly meeting agenda.
 3. The Project Manager and other relevant individuals will participate either via teleconference or in person; other funding entities may wish to participate. As project activity increases or decreases, the Commission may request more or less frequent meetings.
 4. Meeting agendas, minutes and other materials shall be attached to the AVI quarterly report to the Denali Commission project database system.
 5. Any changes in the appointed Project Liaison must be reported to the Denali Commission as soon as possible as a condition of this grant agreement.
- ii. Coordination:
 1. Provide communication, negotiation and other relationship functions on behalf of the project with local entities, funders and external communities.
 2. Act as the spokesperson and coordinator of all project related business. This includes interface with the Project Manager, AEA, Denali Commission and other contractors.
 3. Work directly with Project Manager on all aspects of the project.
 4. Work directly with AEA and their business plan contractor on all aspects of business plan development.

5. Act as primary point of contact on behalf of grant applicants as it relates to overall project development. Work directly with grant managers for grants not directly received by CATG. Maintain a tracking document for all funding sources.
6. Track supporting infrastructure or developments in Fort Yukon such as roads, water/sewer connections and other energy related activities. As any coordination issues arise, these should be reported to the Stakeholder group.

Project Management -- \$40,000

The Project Manager position is funded in the amount of up to \$40,000. Project Manager shall participate in the Project Liaison hiring process and work directly with Project Liaison with the goal of transitioning project lead to local Partners. Federal procurement procedures (per cited OMB circulars in this award) and consistent with AVI procurement procedures shall be followed.

Economic Forest Plan -- \$50,000

Up to \$50,000 is authorized for completion of an economic forest plan and for forestry technical assistance. This is necessary to assure local forest resources are sustainably managed. This plan will be updated annually with copies kept at both the TCC Forestry Department and CATG Resource Department. Local Partners will participate in this process through the Stakeholder group. Following deliverables shall be included in a final report:

1. Detail harvest locations for first five years of operation
2. Specify reforestation strategies
3. Detail harvest and wood delivery plan
4. Identify costs associated with annual update of plan
5. Identify costs associated with sustainable forest management to be included in operations business plan
6. Identify potential land ownership issues in need of resolution

The procurement of the economic forest plan contract(s) shall include participation from the Denali Commission. Federal procurement procedures (per cited OMB circulars in this award) and consistent with AVI procurement procedures shall be followed.

Once deliverables are completed, drafts shall be submitted to the Denali Commission for review prior to final documents. Contracting controls shall be implemented by AVI to assure final work products are completed (i.e. holding final payments for approved deliverables, etc.)

Training Development and Execution Plan-- \$27,500

AVI shall dedicate professional staff to the specific focus of developing and assisting the project liaison in executing a training strategy for this project in conjunction with other

training efforts in the program. Training development for forest management technicians, harvest operations training, and board level business professional development for owner/operators (including heat utility management) shall be included in the strategy and as possible may be paid for through this line item.

AVI shall begin work on the strategy now and shall work directly with the Project Liaison and Project Manager to develop a written strategy and timeline to be submitted for written approval from the Commission prior to expending funds on the actual training. Updated training plan shall be attached to quarterly reports to the Denali Commission.

Training strategy shall include the following:

1. Curriculum development narrative
2. Detailed budget
3. Training outline/timeline. (How many hours, days, etc)
4. Training outcome including list of competencies earned after completion of training and job creation and/or connection.
5. Trainer name(s) and resume(s)

AVI will seek assistance from the State of Alaska Apprenticeship to facilitate the development of new occupations and as appropriate development of a state registered apprenticeship program for replication in other communities. This will result in a specific skilled workforce developed and trained by the forestry industry and a model that can be used in other communities and regions.

Upon completion of this grant, a documented training strategy for community level biomass development will be attached to the closeout report. Throughout the grant period, information shall be shared with other planning efforts (i.e. TCC regional energy plan). Further, the training strategy should be executed by the community and that the project liaison should assume execution activities as appropriate for the long term.

Travel -- \$9,185

Travel includes travel for the project liaison from Fort Yukon to Anchorage (2 trips X \$1,800 per trip = \$3,600), and for travel to Fort Yukon from Anchorage for AVI staff and contractors (\$1,862 per trip X 3 trips = \$5,585 (adjusted)) for stays in the community of an average of 4 days.

AVI Indirect and Overhead -- \$56,615

AVI's federally negotiated indirect rate is 41.42%. This amount applies to all AVI activities and up to \$25,000 for pass thru activities. Activities to be completed with this funding include contract management, payment processing, administrative support, professional services, ongoing advocacy activities and acting as a convener for the overall project. These functions breakout as follows: Project Liaison coordination and

oversight (\$19,500), Project Management (\$13,715), Contract Management and oversight/review of all deliverables (\$13,000). AVI will also provide professional staff to oversee the development and execution of a community training strategy for the sustainability of the biomass project (\$10,400).

The role of AVI will continue to act as a statewide convener and shall share lessons learned as a function of this grant with other biomass initiatives. Regular participation in the TCC Regional Energy Plan process and in the AEA biomass workgroup will be documented. As reports are completed under this project, these shall be shared with these groups and others and this shall be documented in the narrative portion of the quarterly report to the Commission.

All Commission funding is intended for use for the scope of work identified in the Award document only. Any balance of funds remaining after the full scope of work has been completed will be returned to the Denali Commission.

2. Milestones

The following milestones are identified as the major steps to be completed as part of the project. "Planned" dates for the first milestone are included here. As part of each progress report, recipients shall update the progress toward meeting these milestones (see section 7, Reporting).

Milestone	Planned		Actual		Units	Total Cost At Completion
	Start Date	End Date	Start Date	End Date		
In-Progress	06/01/2010	06/30/2012			0	\$0.00
Project Close-out	07/01/2012	10/30/2012			0	\$0.00

3. Award Performance Period

The Award performance period is June 1, 2010 through June 30, 2012. This is the period during which Award recipients can incur obligations or costs against this Award.

4. Direct and Indirect Costs

The cost principles of OMB A-122 are applicable to this Award. Indirect costs up to 41.42% are allowable under this Award and are detailed above. Please refer to the cost principles regulations for specific details on other allowable charges under this Award.

5. Budget and Program Revisions

The Administrative Circular, 2 CFR Part 215, applies to this Award. Please refer to the Administrative Circular for specific details on revisions to this Award. The Administrative Circular requires that AVI will inform the Commission in writing (e-mail,

letter, or report) at the earliest possible date of any unanticipated project cost overrun, project schedule delays, or changes in the project scope or changed site conditions.

6. Payments

Payments under this Award will be made by electronic transfer in response to a "Request for Advance or Reimbursement", Standard Form 270 (SF-270) submitted by AVI. Requests for reimbursements may be made as needed. The SF-270 must be submitted to the Denali Commission via fax, e-mail (finance@denali.gov) or mail in order for payment to be processed. The form is available on the OMB website: http://www.whitehouse.gov/OMB/grants/grants_forms.html. Payments shall be made in accordance with 2 CFR Part 215. Please contact the Denali Commission's Finance Specialist at (907) 271-1414 for further information about submitting this form. **No interest will be accrued on these funds.**

7. Reporting

Two forms of project reporting are required under this Award, listed below. AVI shall submit reports using the Denali Commission's on-line Project Database System, available at www.denali.gov. If there are technical limitations which may prevent the recipient from meeting this requirement, please contact the Program Manager listed in this agreement.

- a. **Progress Reports** shall be submitted on a quarterly basis. The first reporting period is June 1, 2010 to September 30, 2010 and quarterly thereafter. Reports are due within 30 days of the end of the reporting period. Progress reports shall include the following:
 - i. Total project funding, including both Denali Commission funding and other project funding sources.
 - ii. The total project expenditures for the project as of the end of the reporting period, including both Denali Commission and Other funding sources.
 - iii. Updated schedule and milestone information as identified in the Scope of Work
 - iv. Narrative summary of the project status and accomplishments to date, and address the following questions: is the project on schedule, is the project on budget, and what actions are planned to address any project problems.
 - v. For minor repair and renovation projects or other non-construction projects, pictures should be provided of before and after, or photos that are representative of the funded activity, to the extent possible. Photos shall be provided in a digital format as part of the on-line report. A short description of the activity and names of those in the photos shall also be provided.
- b. **Federal Single Audits** shall be submitted annually, when required. In accordance with OMB Circular A-133, which requires [subpart 200] "Non-Federal entities that

expend \$500,000 or more in a year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the provisions of this part [subpart 205]. The determination of when an award is expended should be based on when the activity related to the award occurs.”

Recipients shall also submit single audits to the Federal Clearinghouse as designated by OMB. Information can be found on the following web-site:

<http://harvester.census.gov/sac/>

8. *Project/Award Close-Out*

The project close-out report shall be completed within 90 days of the end of the Award performance period or within 90 days of the completion of the project, whichever is earlier. Recipients must also draw down any remaining funds for expenditures incurred under this award during this 90-day period.

The project close-out report shall be submitted on-line through the Denali Commission’s on-line Project Database System, available at www.denali.gov. The project close out will require the recipient to submit the following information:

- a. Final data for each item listed in paragraph 7(a) “Progress Reports”
- b. Final project expenditures itemized by the following categories: planning & design; materials & equipment; freight; labor; project administration/overhead and other expenses.
- c. Acknowledgement of support: For all non-construction projects, the Award recipient shall include an acknowledgement of the Government’s support for the project(s) developed under this Award. The format for acknowledgement of the Government’s support for non-construction awards will vary with each award and must be agreed upon between the Award recipient and the Denali Commission Project Manager. Costs associated with this requirement shall be paid out of the project funding received by the Award recipient from the Denali Commission.

9. *Public Policy Laws and Assurances*

Award Recipients are required to comply with the public policy laws and assurances on Standard Form SF 424b. This form must also be signed by a certifying official of the organization. Some of the laws are highlighted below for your reference.

To the maximum extent practicable, considering applicable laws, Funding Recipients shall accomplish the project contemplated by the Award using local Alaska firms and labor.

No portion of this award may be used for lobbying or propaganda purposes as prohibited by 18 U.S.C. Section 1913 or Section 607(a) of Public Law 96-74.

Project level environmental reviews in accordance with the National Environmental Policy Act (NEPA) and the National Historic Preservation Act (NHPA) are required for each project undertaken with Denali Commission funds.

10. Non-Compliance with Award Conditions

Recipients not in compliance with the terms and conditions of this Financial Assistance Award will be notified by the Denali Commission. The Denali Commission will work with the recipient to identify the steps necessary to bring them back into compliance, and will establish an appropriate time frame for the corrections to be made. If the corrections have not been made by the deadline, the Denali Commission reserves the right to either suspend or unilaterally terminate the Financial Assistance Award for non-performance.

11. Program Manager, Financial Manager & Other Contact Information

Denali Commission	Alaska Village Initiatives
Denali Daniels Program Manager 510 L Street, Suite 410 Anchorage, AK 99501 Phone: (907) 271-1189 Fax: (907) 271-1415 E-mail: ddaniels@denali.gov	Charles Parker Program Manager 1577 C Street, Suite 304 Anchorage, AK 99501 Phone: 907-263-9846 Fax: 907-263-9971 Email: cparker@akvillage.com
Betty Sorensen Grants Administrator 510 L Street, Suite 410 Anchorage, AK 99501 Phone: 907-271-3415 Fax: 907-271-1415 E-mail: bsorensen@denali.gov	Nellie Kiunya Financial Contact 1577 C Street, Suite 304 Anchorage, AK 99501 Phone: 907- 263-9825 Fax: 907-263-9971 Email: nkiunya@akvillage.com

12. Other project specific paragraphs may be added here

In addition to reporting quarterly, AVI shall meet twice annually with the Commission to report lessons learned and project status.